

JORDAN

Syrian refugees: political and financial dynamics



Crisis overview

Refugees fleeing political turmoil and armed violence in Syria began to arrive in Jordan in 2011. As of 19 August 2016, there are 656,042 registered Syrian refugees, 78.5% of whom are living in urban areas. Most refugees have been in Jordan for years: the largest influx from Syria to Jordan was in 2012 and 2013, with 176,020 and 301,620 refugee arrivals, respectively (UNHCR 15/07/2016; UNHCR 15/08/2016)

The influx of Syrian refugees has had a major impact on the Jordanian economy. According to the Jordanian Economic and Social Council, the Syrian crisis has cost the country USD 1.2 billion, and the financial burden is expected to rise to USD 4.2 billion by the end of 2016. Conflict in neighbouring Iraq and Syria have dented confidence in and between countries in the region, blocked trade, and harmed investment in the region. Hosting a large number of Syrian refugees has added to the negative economic effects and put public services under pressure. As Jordanians increasingly feel the impact on their daily lives, and security concerns grow, social cohesion between Syrians and host communities has deteriorated and the Syrian crisis become progressively politicised (EUI 02/2015).

Key findings

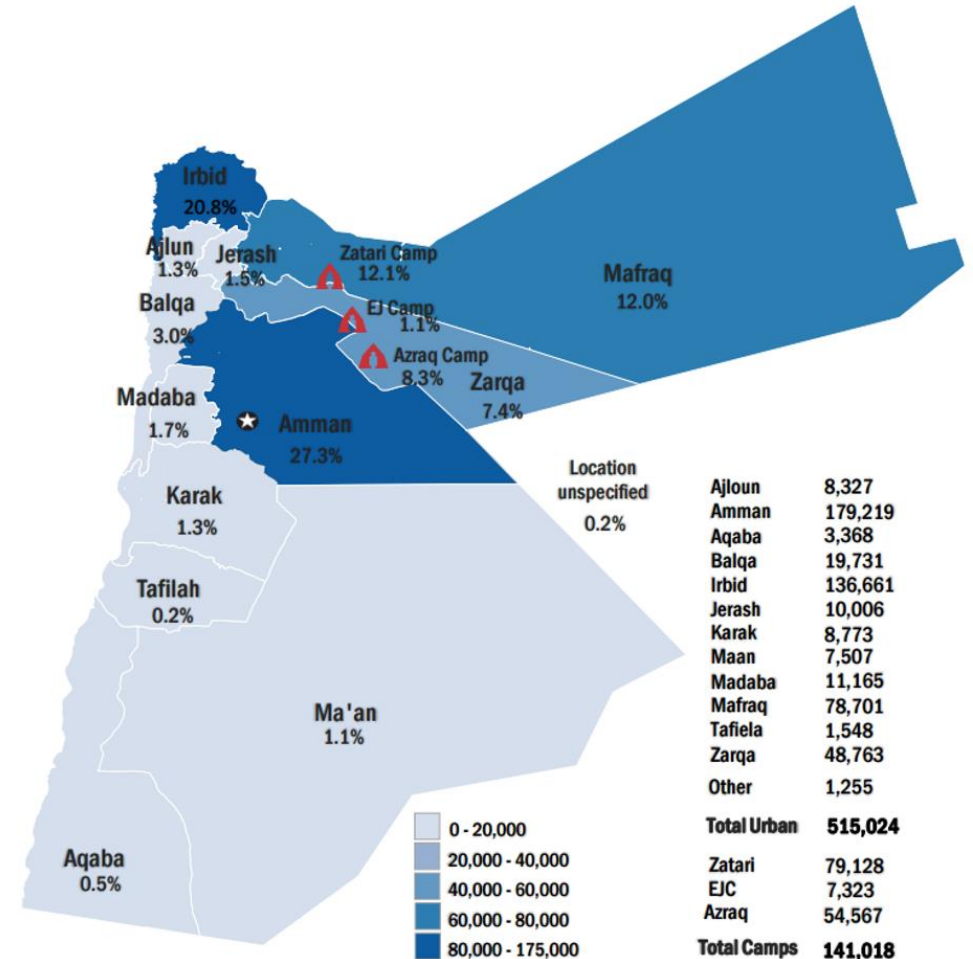
Political dynamics of the Syrian refugee crisis

Despite an initial “open-door policy” towards Syrian refugees, the Jordanian government has adopted increasingly strict policies towards Syrians in the country as well as at the border. As the crisis goes on, security concerns, deteriorating refugee–host community tensions and funding issues have gradually become central to shaping the political dynamics surrounding the Syrian refugee crisis in Jordan.

Livelihoods and financial situation of Syrian refugees and vulnerable Jordanians

The Syrian refugee influx has had negative and positive consequences on the Jordanian economy. Although Jordanian government officials have repeatedly attributed the country’s economic instability, growing unemployment and poverty rates, water shortages and contracting GDP exclusively to the refugee crisis, the Syrian influx has also increased foreign aid, bolstered consumer demands and created job opportunities. In addition, domestic economic challenges have also severely impacted on the Jordanian labour market.

Distribution of Syrian refugees across Jordan



Source: UNHCR 15/08/2016

Limitations of this report

A rich backlog of assessment data exists on the situation of Syrian refugees in Jordan, and increasingly on the situation of Jordanian host communities. However, this needs updating. Moreover, although the crisis evolved relatively slowly in 2014 and 2015, the sharp increase in Syrian refugees stranded on the border between Syria and Jordan (the *berm*) has led to more rapid change in 2016. Data on needs in this area is extremely scarce, due to lack of humanitarian access.

Political dynamics of the Syrian refugee crisis

Jordan has a strong historical record of providing asylum to people displaced by regional crises – most notably Palestinians and Iraqis. Although Jordan is not a signatory to the 1951 Convention, its constitution prohibits the extradition of political refugees. Additionally, the 1998 Memorandum of Understanding between UNHCR and Jordan gives UNHCR the right to determine the refugee status of asylum seekers in the country. However, domestic legislation and policies outlining refugees' rights are still lacking (ILO 30/03/2015; Carnegie Endowment for International Peace 21/09/2015).

At the beginning of the Syrian conflict, official border crossings at Daraa and Nasib were open to Syrian refugees, as were several informal crossings points nearby. Some 2,000 Syrians had arrived in Jordan by the end of 2011. In 2012 the influx escalated, leading to the opening of Zaatari refugee camp. Between July and August 2012 the initial population of several hundred in Zaatari multiplied to 15,000 (Carnegie Endowment for International Peace 21/09/2015). Despite the large numbers reported in camps, most Syrian refugees sought sponsorship to move into urban areas. At present, 78.5% of the 656,048 registered Syrian refugees are living in urban areas and 21.5% in camps. Most Syrians residing in urban settings are located in Amman (26.4%), Mafraq (23.9%), Irbid (20.7%) and Zarqa (16.7%) ((UNHCR 15/07/2016; UNHCR 15/08/2016).

Despite the initial 'open door policy', between mid-2013 and mid-2014 Jordan severely limited refugee inflows, violated international non-*refoulement* laws, and restricted services to Syrians already in the country, adding to the vulnerability of the refugee population (Fanack 22/12/2014; NYT 08/10/2104; Carnegie Endowment for International Peace 21/09/2015). In 2014, concerned about unregulated flows of refugees from camps to urban settings, the government of Jordan instructed the UNHCR to stop issuing Asylum Seeker Certificates (ASCs) to Syrian refugees who had left camps without a proper 'bail-out' documentation. Without a valid ASC, refugees are ineligible for key humanitarian services, including cash and food assistance, and cannot apply for a Ministry of Interior Service Card, which allows access to healthcare and education facilities (EUI 02/2015).

In March 2015, Jordan also placed severe restrictions on informal border crossings in the east, which had remained open after the closure of formal crossings in 2014. Hundreds of Syrians became stranded in remote desert areas known as the *berm*, adjacent to the tri-border area between Iraq, Syria, and Jordan. The estimated number of people living in informal settlements along the Rukban and Hadalat crossings at the *berm* area spiked

from 1,000 in May 2015 to 75,000 in June 2016, as fighting in Syria continued to drive displacement (Al-Jazeera 23/06/2016; HRW 01/07/2016; HRW 03/06/2015; IRIN 27/05/2016)

Refugee–host community tensions

Regardless of both positive and negative impacts of the refugee influx¹, the Jordanian government has increasingly attributed economic problems to Syrian refugees, influencing host communities' perceptions of the refugee population and damaging social cohesion. In a study conducted by the International Labour Organization (ILO), 85% of Jordanian workers believed that Syrians should not be allowed to enter Jordan freely, while 65% believed Syrians should be limited to living in refugee camps (Carnegie Endowment for International Peace 21/09/2015; ORIENT 01/2016; EUI 02/2015).

The demands put on services by the refugee influx have also aggravated tensions between refugees and communities, with mayors of northern municipalities denouncing insufficient financial support.

Rent prices in border zones and other areas of high refugee density have tripled or even quadrupled since before the crisis (ILO/FAFA 2015). Massive water scarcity, climbing youth unemployment, rural marginalisation, and development deficits in sectors such as healthcare have deepened due to the large number of arriving refugees (Carnegie Endowment for International Peace 21/09/2015). Water shortages, overcrowded schools, poor sanitation services and road congestion are among the most commonly reported issues in the northern communities, such as Mafraq, Irbid, and Ramtha (Jordan Times 18/08/2016).

Over half of the Syrian refugee population in Jordan is under the age of eighteen, placing large demands on educational capacity (UNHCR 15/07/2016; UNHCR 01/08/2016). As public schools became increasingly crowded, host communities expressed concern about shortened class times, overcrowded classrooms, and double-shifting. Syrian parents have reportedly withdrawn children from school due to fears that they will be harassed or attacked (ILO/FAFA 2015; Carnegie Endowment for International Peace 21/09/2015).

Humanitarian programming for Syrians has also increased frustration among Jordanian citizens, who perceive the distribution of aid and services between Syrians and the local population to be unequal. 84% of Jordanians believe Syrians are unfairly favoured by financial aid (Carnegie Endowment for International Peace 21/09/2015).

A recent study has found that 83.4% of interviewed Jordanians attribute the responsibility of financing the refugee crisis to the international community (Jordan Times 18/08/2016). As European states have become increasingly concerned about the rise in the number of

¹ Please refer to the section Livelihoods and financial situation of Syrian refugees and vulnerable Jordanians for a brief description of the positive economic impact of the refugee influx.

migrants and refugees fleeing the region and arriving in Europe, efforts to improve the ability of host communities to cope with and support Syrian refugees are growing. Jordan has been particularly concerned to ensure humanitarian aid benefits its own host communities, given the rising social tensions between Syrian refugees and Jordanians. In September 2013, the government set up the Host Community Support Platform (HCSP), aiming to address the impacts of the Syrian refugee influx on host communities. In September 2014, it replaced the HCSP with the Jordan Response Platform for the Syria Crisis (JRPSC). In 2015, the JRPSC, donors, UN agencies and NGOs developed the Jordan Response Plan, which emphasises the importance of supporting the resilience of host communities to absorb crisis in parallel with targeted humanitarian relief to Syrian refugees (The Jordan Response Platform for the Syria Crisis. Access on 08/08/2016).

Security concerns

Security concerns have gradually become a prominent factor in the political discourse around border policies. As Jordan has strengthened its commitment to the international coalition fighting IS in Syria, fears of IS attacks and home-grown terrorism have increased. According to experts, Jordan's Islamist groups have grown in numbers and become more violent. Estimates from early 2015 suggested that IS and other jihadi groups have between 9,000 and 10,000 Jordanian supporters (Counter Terrorism Project. Access on 08/08/2016).

Although Jordanian authorities began readmitting refugees into the country in March 2016, new arrivals have been detained in a fenced-off compound within Azraq camp known as "Village 5" for security assessments (IRIN 27/05/2016).

Security concerns and border restrictions have also impacted humanitarian relief to Syrian refugees, particularly those stranded at the *berm*. In July 2016, Rukban and Hadalat crossings were completely sealed off after an IS attack on border guards in the area. Between 21 July and 5 August, aid agencies were allowed to deliver water only. Since 5 August, one cross-border operation has been approved for the delivery of food and NFIs (Counter Terrorism Project. Access on 08/08/2016; AlJazeera 21/06/2016; WFP 05/05/2016).

Funding issues

Syrians have relied heavily on humanitarian aid from UNHCR and NGOs, as 90% of Syrians outside camps live in poverty with reduced food intake (UNHCR 16/03/2016). However, funding shortfalls have negatively affected humanitarian aid inflow for the past two years (ORIENT 01/2016; Carnegie Endowment for International Peace 21/09/2015). The World Food Program (WFP) has faced multiple funding shortages, and though emergency appeals have enabled the WFP to reinstate food assistance, food vouchers to Syrians in Jordan

have consistently been restored at progressively lower values (ORIENT 01/2016; Carnegie Endowment for International Peace 21/09/2015).

Jordan's increasingly strict policy towards its Syrian refugee population due to strained services and economy, security threats and social tensions, has attracted criticism from the international community and resulted in a back and forth between the government of Jordan and humanitarian agencies. Donors and agencies are dissatisfied with access restrictions imposed by Jordanian authorities, and the government of Jordan accuses the international community of low engagement and questions its ability and willingness to financially support Jordan in the refugee crisis response.

Limited donor engagement is likely to lead Jordan to continue tightening limitations around refugee admissions and service provision, with severe consequences for refugees.

Livelihoods and financial situation of Syrian refugees and vulnerable Jordanians

Jordanian government officials have repeatedly overemphasised the negative impacts of the Syrian influx into the country, attributing a contracting GDP, water shortages and growing poverty and unemployment rates exclusively to the refugee crisis (Carnegie Endowment for International Peace 21/09/2015). Between 2011 and 2014, there was an increase in the unemployment rate of Jordanians from 14.5% to 22.1%. However, the Syrian refugee influx has also bolstered consumer demand, increased foreign aid, and created job opportunities.

Moreover, domestic economic challenges have also severely impacted the Jordanian labour market (ILO 28/07/2016; UNHCR 28/07/2016). Regional and international economic crises, allied with economic and demographic factors within Jordan, are likely to have had a significant impact on the rise in unemployment. In 2004, over 50% of Jordan's population was under 15 years old. Consequently, between 2010 and 2013 the share of Jordanians in working age grew significantly, overwhelming the job market. In 2012, a national reform programme in response to negative external financial shocks was put in place, and fiscal consolidation measures dramatically reduced the number of public sector jobs available (IMF accessed 09/08/2016, ILO/FAFA 2015, Carnegie Endowment for International Peace 21/09/2015).

Labour market competition between Syrian refugees and Jordanians

Although only 22,687 work permits had been issued to Syrian refugees in Jordan as of July 2016, many refugees and asylum seekers have obtained jobs informally, resulting in

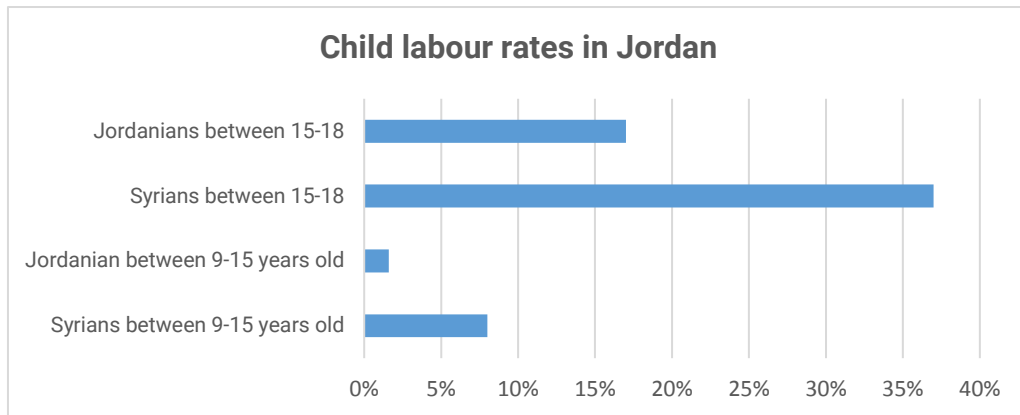
increased competition in the low-wage sectors of the Jordanian labour market. Large numbers of Jordanians, and now Syrians, competing for low-wage, low-skilled jobs have impacted on working conditions and social cohesion (ILO 30/03/2015; ILO 30/06/2016; UNDP 06/2016; ILO/FAFA 2015).

Syrian refugee workers tend to work longer hours than Jordanians, with a larger share working six or seven days a week. They are also generally paid less than Jordanian workers and employed on the basis of oral agreements. Acceptance of poorer working conditions encourages lack of compliance with labour standards, negatively affecting all workers, regardless of nationality (Carnegie Endowment for International Peace 21/09/2015).

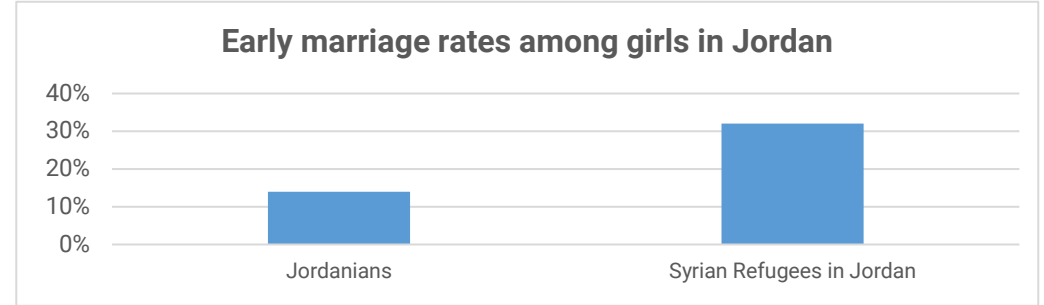
In addition, competition between Jordanian labourers and Syrian refugees for the same jobs contributes to the perception that Syrian participation in the workforce has directly influenced unemployment among Jordanians (ILO/FAFA 2015; Carnegie Endowment for International Peace 21/09/2015).

Coping mechanisms

High levels of unemployment and low job security impact on the livelihoods and financial situation of both Syrian refugees and Jordanian host communities. Among refugees, male unemployment has been offset by female refugees engaging in small-scale income-generating activities (Carnegie Endowment for International Peace 21/09/2015; ORIENT 01/2016; CARE 15/03/2016). Negative coping strategies such as child labour and early marriage have been reported among both refugee and vulnerable households in host communities, though more frequently among refugees (ILO/FAFA 2015; UNHCR 15/07/2016; The Guardian 16/07/2014; The Independent 19/04/2016, UNICEF 2014).



Source: ILO/FAFA 2015; UNHCR 15/07/2016.

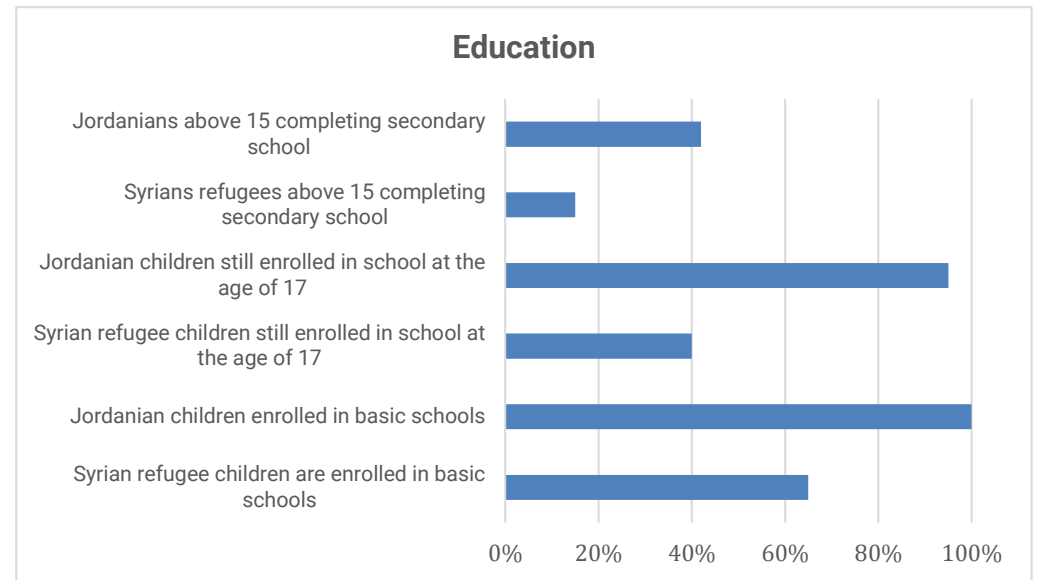


Source: The Guardian 16/07/2014; The Independent 19/04/2016, UNICEF 2014.

Negative coping mechanisms, particularly household reliance on child labour and child marriage, has a secondary impact on education. Few married girls complete their education, while working boys often drop out of school or cannot afford it (UNICEF 2014).

Education

Syrian refugees have considerably lower education compared to Jordanians (ILO/FAFA 2015). As the refugee crisis drags on and Syrian refugees enter the workplace, their poor education outcomes will likely confine them to the informal sector.



Source: ILO/FAFA 2015

Efforts to increase formal employment

The Supporting Syria and the Region conference in February 2016 resulted in The Jordan Compact to improve efforts from the government of Jordan in providing livelihood opportunities for Syrian nationals. Jordan has since announced that 200,000 work opportunities will be made available to Syrian nationals in exchange for enhanced international support to Jordan and the Jordanian economy (UNHCR/UNDP 06/2016).

In March 2016, a Livelihoods Working Group (LWG) was established under the Inter-Agency Task Force (IATF) chaired by UNHCR and co-chaired by the Danish Refugee Council. The working group's main goal is to strengthen coordination of refugee-related livelihoods activities in both host community and camp settings. It plans to facilitate continuous and comprehensive information sharing between different UN agencies, national and international NGOs, donors, and government (UNHCR/UNDP 06/2016).

The Ministry of Labour has agreed to ease administrative requirements for Syrian refugees, and in place of passports now accepts valid Ministry of Interior Service Cards coupled with UNHCR registration documents. In addition, employers hiring Syrian nationals were granted a three-month grace period (from 5 April 2016 to 5 July 2016) to obtain free annual work permits for Syrian employees (UNHCR/UNDP 06/2016).

About this report

This report is based on an analysis of secondary data available to ACAPS in early August 2016. It focuses specifically on political dynamics of the Syrian refugee crisis in Jordan as well as the livelihood and financial situation of these refugees and host communities. For weekly updates, broader crisis analysis, and further resources, please visit: <http://www.acaps.org/country/jordan> and <http://www.acaps.org/themes/syria-crisis>. ACAPS welcomes all information that could complement this report. For additional information, comments or questions please contact us at: info@acaps.org.